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SUBJECT: GOR PLANS TO TAKE NO ACTION AS A RESULT OF

OIL-FOR-FOOD INQUIRY

REF: STATE 40595

Classified By: Minister-Counselor for Political Affairs Kirk Augustine. For Reasons 1.4 (B/D).

- 11. (C) The Russian Government does not intend to take any steps as a result of the findings of the Independent Inquiry Committee (IIC) which investigated the UN's Oil-for-Food (OFF) Program. Despite the IIC's findings that the GOR itself and Russian business firms, political parties and politicians were far and away the largest recipients of oil vouchers allocated under Saddam's scheme to influence decision makers, the MFA told us on March 31 that no legal action would be taken to look into any of the IIC's allegations. MFA UN Political Affairs Section Chief Vladimir Safronkov said that the Russian Government had rejected the authenticity of many of the documents presented by the Committee which indicated high-level official corruption. Safronkov also told us that the MFA had contacted some of the companies named in the IIC report, and they had likewise denied any culpability and challenged the evidence presented by the IIC.
- 12. (C) Comment: Safronkov's comment echoes FM Lavrov's October 28, 2005 statement that the Committee had not clarified the authenticity of challenged documents to the satisfaction of the Foreign Ministry, and that many of them appeared to be forged. The GOR has never been particularly cooperative with the Volcker Committee, and most Russia firms refused to turn over any documents. The IIC final report drew across-the-board denials from the wide range of Russian officials and companies accused of corruption and fraud.